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Building Cross-Cultural Competence in an Increasingly Global Workplace

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INTRODUCTION

It is difficult to imagine any organization today operating without some element of global interaction. Companies are augmenting their service delivery model to be available to clients 24/7. Furthermore, global supply and value chains operate increasingly across borders. To that end, corporations are building geographically-distributed teams to enhance their capabilities to support their global growth. As a result, employees are increasingly working across multiple time zones and national cultures.

This workplace shift has led to fundamental changes in how work gets done. As teams become more global, they lose their shared assumptions and norms. Human interaction becomes significantly more complex. Because they do not work in the same physical space with some of their colleagues, employees need to learn new collaboration skills while developing a better understanding of cultural differences.

In this paper, we will explore how global organizations can build capacity for cross-cultural competence while creating a “space” that fosters more effective human interactions. The framework and tools discussed will provide a better understanding of how to incorporate cross-cultural competence within leadership development and talent management practices.

What are the Implications for People and Culture?

As organizations become more global, there is a need to better support leaders and employees who work across multiple time zones and national cultures. The goal for organizations is to prepare global leaders to operate more effectively across cultures while leading global teams. Global teams also need to work effectively across borders. As these skills improve, important synergies can emerge which effectively bring the best of all cultures to the organization as a whole.

As an example, a US-based company moved a segment of work to another country without considering that the two work teams had never worked together. This issue became evident as processes and team interactions became ineffective. Leaders correctly assessed that the root of much of the issue stemmed from cultural differences, such as attitudes about time, interaction with authority, and sensitivity to dissenting opinions. To address this issue, leaders created a change management plan to build cross-cultural awareness, so that employees from these teams could more effectively collaborate with each other. As a result, the teams experienced greater mutual awareness and improved interaction.

Cross-Cultural Management

Cross-cultural management takes significant time, effort, and energy. Global leaders have direct responsibilities for teams across multiple countries and time zones. Therefore, they need to understand the importance of having a global frame of reference while preserving local relevance. Everyday decision-making and communications are more complex for global leaders. For example, global leaders need to make decisions about which key messages are shared, and how those messages are communicated. They might need to decide where and when to hold town halls and which technology is more conducive to communicating with geographically-dispersed work teams.

Building Individual Capabilities

Cross-cultural awareness and communication norms are key competencies for effective leadership in global organizations. Leaders and employees need to develop these competencies in order to work effectively in cross-cultural environments. Table 1 introduces definitions for these competencies.

Table 1
Definition of Key Competencies

Competency	Definition
Cross-Cultural Awareness	Working knowledge of cultural differences and how these differences impact interactions in global work teams.
Communication Norms	Guidelines for how often and when to communicate in globally-dispersed teams, including responsiveness, expectations, meeting norms, and preferred communication methods.

Cross-Cultural Awareness





When asked about the importance of cross-cultural awareness, a leader of a global team across multiple countries suggested that, “It is important to be aware of current affairs in a location, greetings, customs, festivals or holidays, and other events. People in different cultures have a different sense of time, and a different commitment level to when and how they work. Organizational hierarchy is different in different cultures. It is important to pick up on body language and non-verbal elements of communication.”

An interesting metaphor for cultures is an iceberg, which is mostly invisible below the water. Cultures are like icebergs, because so much of culture is about values and beliefs (which are intrinsic), “hidden” beneath the surface. Those values and beliefs shape how people think and behave (which are extrinsic).

Several cultural dimensions come into play as part of developing cultural awareness. These dimensions are the binary ends of the spectrum. While cultural dimensions inform our thinking and help us understand cultural differences, they do not define cultures and people. While navigating the complexities of global team dynamics, leaders and teams should consider the impact of the following key cultural dimensions as depicted in Table 2.

While cultural dimensions inform our thinking and help us understand cultural differences, they do not define cultures and people.

Table 2
Cultural Dimensions

Relationship		Task
Hierarchy		Participative
Time: Fixed		Fluid
Communication: Direct		Indirect

Relationship ↔ Task

People in some cultures tend to lead with the task. In the process of doing the task, they build relationships. Other cultures are more relationship focused. People tend to lead with building relationships and then they get the task done. For example, if managers just dive into the task with employees in certain Middle Eastern cultures, they may have a very polite conversation but the work may not get done. In some parts of the world, teams cannot get to the work right away. Instead, teams must first focus on the relationship.

Hierarchy ↔ Participative

Certain cultures tend to be more hierarchical while others tend to be more participative. A human resource business partner experienced this cultural dimension after relocating from India to the United States. During a meeting with her manager and a senior leader in the organization, she was very quiet. After the meeting, her manager offered some feedback. He started by saying something positive (using a common US approach to offering feedback). Then, he mentioned that she did not speak during the meeting. A bit puzzled by his comment, she replied that she was waiting for him to invite her to speak.

Time: Fixed ↔ Fluid

People in certain cultures tend to look at time as a fixed concept, while people from other cultures tend to look at time as a fluid concept. Inconsistent attitudes towards time can lead to cost overruns in projects. For example, employees working in the Brazilian division of a US-based company may react negatively to mandatory overtime, because they perceive time-measured deliverables to be flexible and hence differently than their US counterparts. Of all of the impacts of cross-cultural interaction, this one aspect may be the most easily noticeable at the onset of working together.

Communication: Direct ↔ Indirect

In the more content-driven cultures, communication is more direct and explicit, with the focus on speaking concisely. Meaning is found in the words. Conversely, in the more context-driven cultures, communication is more indirect and implicit, with messages that are read “between the lines.” Meaning is found around the words. As an example, Indian nationals are often asked – “What’s up with the Indian nod?” The best explanation is that it means “I heard you.” It is neither a yes or no. Sometimes, it is a polite way of saying no, rather than saying no openly, which might put the relationship at risk.

Additionally, people from different cultures often have their own sense of pace when they communicate. Email communications are an integral part of our workplace. However, acceptable response times can vary greatly. Typically, within the United States there is an unwritten rule about responding promptly. This approach may not be the norm in other cultures.



Communication Norms

A manager based in France was working with a team in Tunisia. Reflecting on her experience as a manager, she said, “I have a very direct communication style. However, I should have been more diplomatic with my Tunisian team. I discovered that a ‘yes’ doesn’t always mean yes. After each training, presentation, or important communication, I had to validate that the message was understood by asking them to rephrase the message.”

This manager’s experience highlights why leaders should work with their global teams to create their communication norms. Awareness, as in the case of the manager in France, is the most important first step. Understanding how employees from other cultures prepare for meetings, share ideas, escalate issues, and provide feedback will enhance the global team experience. As an interesting secondary benefit, such understanding improves other communications skills, such as active listening and empathy.

When working with global teams, leaders should consider the key aspects of communication norms that are outlined in Table 3.

Understanding how employees from other cultures prepare for meetings, share ideas, escalate issues, and provide feedback will enhance the global team experience.

Table 3
Communication Norms

	Clarity and Simplicity of Language
	Sensitivity to Time Zones
	Flexibility in Working Hours
	Meeting Norms
	Communication Methods and Frequency



Clarity and Simplicity of Language

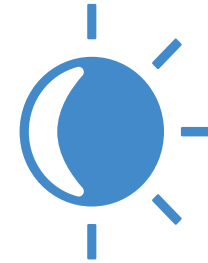
One example of a powerful communication norm is to use clear and simple language and to avoid slang, sports or other non-inclusive analogies, and colloquialism. An HR leader learned, first hand, the importance of avoiding sports analogies when communicating in global teams while meeting with a senior leader from Germany who was reviewing a presentation. One of the slides in the deck was titled “On Deck.” Confused, the German leader asked, “What does ‘on deck’ mean?” A team member explained the baseball sports analogy and then changed the slide title to refer to what’s coming up next.

Such interactions are virtually inevitable, however a heightened awareness can change confusion into a cultural sharing rather than making one party feel uncomfortable when a term is confusing because of a lack of context.



Sensitivity to Time Zones

Global leaders should consider the impact of working across different time zones. In the spirit of creating a culture of inclusiveness, leaders could establish norms that encourage teams to share the “time-zone burden.” It can be particularly challenging to set up conference calls with participants who work in the US, Europe, Asia, and Australia. In many organizations, conference call scheduling tends to favor the US-based employees. For example, India-based employees may need to be available for conference calls from 6:00 pm to 2:00 am EST in order to collaborate with their US-based colleagues. This work schedule may not be sustainable over time.



Flexibility in Working Hours

Leaders and employees in global roles may have learned the “follow the sun model,” meaning that they work with Asia in the night when sun rises in the east, work with Europe in the morning, and work with Latin America and the United States in the afternoon. This work pace is often not sustainable over time. Therefore, we need to provide some flexibility for team members, so that they are not working around the clock.

A C-level executive with 30+ years of international business experience shared that, “It is important to be aware that simply being on a multi-time-zone call is not a guarantee of being able to contribute if one is expected to participate very late at night or extremely early in the morning. In my situation, sometimes a very late night call can be immediately followed by a very early morning call the next day. When scheduling, it is important to consider the ability of participants to be mentally alert and fully participating, not just physically present.”



Meeting Norms

Teams need to set meeting norms that are clear and well-understood by everyone. For example, each person takes ownership for creating the agenda, facilitating meetings, and taking notes. This approach fosters accountability and engagement for each team member. After meetings, the person who facilitates the meeting sends a summary of the key points and actions discussed to everyone on the team to check for understanding and ensure accountability.

A global leader shared these tips for implementing meeting norms, “I recommend that everyone uses active listening concepts in meetings. They should ask for feedback after a meeting to confirm if everything is understood...Be aware of appropriate conversational pacing, tone of voice, usage of interruptions, and lengths of pauses, because they vary by culture and be adaptable to the differences.” Additionally, people in certain cultures may feel awkward providing feedback. Therefore, it is helpful to ask open ended questions such as “Yoshi, how would this work in Japan?” This approach opens the door for dialogue in such a way that the person providing feedback does not feel like he is being rude.

Many global leaders encourage their teams to use virtual tools during meetings. This approach can enhance collaboration and quality of interactions by offering a multi-sensory experience and creating stronger relationships. When people see each other, even when using virtual technology, it may enhance the quality of interaction and humanize the experience.



Communication Methods and Frequency

Global leaders and employees need to understand that different cultures communicate differently. Team members should consider when to use emails versus when to engage in a live dialogue. People in some cultures prefer dialogue (in person or on the telephone); others prefer email communication, so that they have time to digest the words and reflect on a carefully-worded response. For example, people in the French workplace often prefer discussion and debate, while the Dutch workplace is often seen as more to-the-point. Of course, these are broad generalizations, and the actual experience can vary greatly. Therefore, it is important to observe and to avoid stereotyping. For example, after the merger of the French and Dutch national airlines, Air France executives were surprised by the frank observations made in public by their counterparts from KLM.

Additionally, having a high frequency of communication and touch points often becomes significant. A global leader shared that, “I have weekly touch points with direct reports on my team and also monthly one-on-one calls with employees deeper in the organization. Sometimes it’s important to ‘over communicate’ to reinforce a feeling of belonging to an organization.” Clearly, there is not a single method or style that this multifaceted leader employs. He explains his reasoning, saying, “These communications become the baseline for having a clear understanding of the team’s objectives.”

Building Capacity for Cross-Cultural Competence

Organizations need a road map or strategy to build capacity for cross-cultural competence within their leadership development curriculum and talent management initiatives. In order to build capacity, effective organizations need to build the right mindset, skill set, and tool set. The goal is to move people along on the continuum from “knowing” to “doing” to “being.” A recommended approach is to consider the following three stages of development:

Stage 1: Create a foundational level of cultural awareness by providing a common, consistent and shared language (e.g., cultural dimensions) around understanding cross-cultural differences. This goal could be achieved using knowledge-based virtual sessions to scale across the organization for building individual effectiveness. The target groups would likely be first-time global leaders, employees and HR Business Partners (HRBPs).

Stage 2: Provide a more in-depth understanding of cross-cultural differences by building self-awareness. This transitional stage allows global leaders and team members to further build their skills through assessments, individual development planning, and new leader and new team assimilations as outlined in Table 4. The target groups would likely be experienced leaders with global responsibilities, global teams and high potentials who are likely to take on global roles.

Stage 3: Develop a more in-depth use of models, tools, and frameworks embedded in talent management initiatives designed to build cross-cultural competence through leadership coaching. There is an expectation that participants should pay it forward by supporting colleagues new to the cross-cultural experience through mentoring, networking, coaching, role plays, and business case studies as illustrated in Figure 1. This step has an added benefit of driving scale and consistency across the organizational approach. The target groups would likely be senior global leaders including expatriates with extensive global responsibilities. For example, general managers with multi-country responsibility.

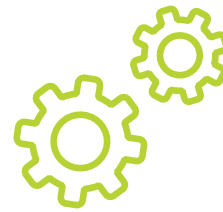
Table 4
Talent Development Activities

Activities	Definition
Cultural Assessments	Tools used to heighten awareness in areas critical to interaction and working effectively with people from different cultures.
Individual Development Planning	The process of identifying goals, outcomes and action plans in context of developing cross-cultural competence.
New Leader Assimilation	Facilitated meeting between a new leader and his or her team to accelerate organizational learning for the new leader in a cross-cultural context.
New Team Assimilation	Facilitated meeting to build capacity for growth and change within global teams focusing on the ability to recognize behaviors that impact team dynamics and effectiveness.

Figure 1
Building Capacity For Cross-Cultural Competence



**Awareness
(Knowing)**



**Skill Building
(Doing)**



**Competence
(Being)**

Goal	<ul style="list-style-type: none"> • Build foundational skills 	<ul style="list-style-type: none"> • Understanding of cross-cultural differences by building self-awareness 	<ul style="list-style-type: none"> • In-depth use of tools, frameworks, and models
People	<ul style="list-style-type: none"> • Global Leaders • Global Employee • Global HR Business Partners 	<ul style="list-style-type: none"> • Experienced Global Leaders • Global Teams • High Potentials 	<ul style="list-style-type: none"> • Leaders with extensive global responsibilities
Process	<ul style="list-style-type: none"> • Bite size, on-demand learning • Potential topics include cultural awareness, communication and country-specific cultural norms 	<ul style="list-style-type: none"> • Facilitated discussions • Talent development activities such as assessments, individual development planning, new leader and team assimilations 	<ul style="list-style-type: none"> • 1:1 leadership coaching • Serving as mentors

Enabling Cultural Awareness and Global Readiness

Leaders of global teams should explore scalable and sustainable solutions that will serve the needs of the organization, minimizing costs in time and money, and maximizing the learning potential. One option to consider is WorldWise, a comprehensive cultural awareness and global readiness tool, created by World Trade Resource.

WorldWise helps organizations to provide up-to-date learning and critical information to employees on a consistent company-wide basis. Because usage can be tracked, the return on investment and level of adoption can be measured accurately. This tool enables employees to work at their own pace, without being tied to a specific timetable or classroom. It also provides a way to demonstrate that training has been offered in a consistent and inclusive fashion. Table 5 outlines the five key elements of the WorldWise platform.

Table 5
WorldWise Platform

Key Elements	Description
Consistent framework against nine cultural dimensions and competencies	Carefully constructed dimensions that provide cross-cultural awareness and an improved understanding of the cultural business competencies needed to become more effective and successful in their roles as global leaders and team members.
Individualized Cultural Assessment	Employees are assessed and profiled relevant to other team members life's experiences, instead of their country of birth.
Individualized Learner Tool Kits	From the assessment, individualized learner tool kits are developed for each user creating a customized cultural awareness program.
Cultural Assessment by Team/Work Group	This tool allows for the creation of global work teams and global leadership teams, providing team members the opportunity to improve their cultural awareness and gain a better understanding of important differences between themselves and other team members.
Customized/Configurable Dashboard	This feature enables health, travel and visa alerts, country-specific and city-specific information, and relocation and settling-in information via a configurable dashboard.

Recommendations for Change

Today's global work environment is the new normal. It is virtually impossible to work in a modern organization without some degree of impact from varying parts of the world. Ignoring the impact of multiple time zones, cross-cultural communication challenges, and working across different national cultures is no longer an option. To be effective in this increasingly global context, we need to re-think our view on leadership based on building effective future global leaders. Global leaders need to become advocates of reframing the leadership perspective regarding cross-cultural competence.

Leadership development curriculum and talent management initiatives need to address the challenges of working cross-culturally. To make lasting changes, development and training programs must include cross-cultural competence as a core competency for anyone assigned to global work teams. These programs should offer diverse methodologies and tools that can reach more people by building social and structural bridges. By creating forums for meaningful dialogues on cross-cultural differences, organizations could change from within as they grow to be more globally effective.

By encouraging cultural diversity and creating a “space” to enhance cross-cultural skills, we will attract a more diverse workforce that is equipped to handle new challenges on the horizon. In so doing, we will embrace the best that diversity has to offer, learning from one another and growing our organizations to be truly global in an increasingly global workplace.

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In his role as the CEO of World Trade Resource, Dr. Branch directs a team of Editors, Writers and Analysts in 50 editorial offices around the world. He is responsible for the revenue growth, service quality and strategic expansion of the firm. Under his leadership, the firm was recently named as a Company to Watch in 2015 for Cultural Diversity alongside Cartier and Goldman Sachs. Dr. Branch's extensive global experience includes serving as the executive vice president of a 3.8 billion dollar publicly traded mobility company. He has been named to numerous boards including several terms as a Board of Director on the National Foreign Trade Council in Washington DC. He has led both privately held and publicly traded companies in Asia, Latin America, Europe and the US. During his tenure at those companies, he was responsible for a total of 55 countries and lived on five continents. Dr. Branch is multilingual and has an MBA and PhD in International Business from the George Washington University and is a graduate of Harvard Law School's Program on International Negotiation.



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